

FISCAL NOTE
SB 43 – HB 352

March 22, 2005

SUMMARY OF BILL: Requires the State Board of Education, in consultation with the Departments of Education and Health, to promulgate rules establishing minimum nutritional standards and portion sizes for snacks/foods served to children participating in after school programs, which are funded by excess revenues from the state lottery. Such programs funded by excess lottery revenues are also required to include *nutritional education* as a curriculum component.

ESTIMATED FISCAL IMPACT:

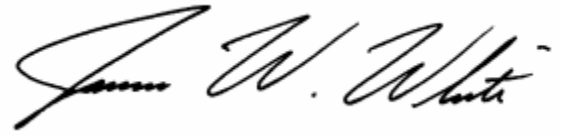
Other Fiscal Impact - An amount of \$4,000,000 is reflected in Governor's Recommended Budget for 2005-06 to fund after-school programs. This appropriation is from the state's 50% share of recurring unclaimed lottery prize money that is deposited in the After-School Programs Special Account.

Assumptions:

- Approximately \$4,000,000 in excess lottery funds has been designated for after-school programs.
- Assuming \$4,000,000 in lottery proceeds is released for after-school programs, an estimated 3,200 students could be served snacks meeting minimum nutritional standards as determined by the State Board of Education.
- The estimated cost of snacks is an average of \$1.00/day per student.
- After-school programs must provide service for a full year or 250 days.
- USDA after-school snack funds will provide up to \$.61 per day for 180 days ($\$1.00 - \$.61 = \$.39 \times 180 = \$70.20 + (\$1.00 \times 70 \text{ remaining days}) = \140.20). Therefore, the snack costs per child for a full year are estimated to be $\$140.20/\text{year}/\text{student} \times 3,200 \text{ students} = \$448,600$.
- The \$448,600 will be expended from the amount of funds dedicated for after-school programs.
- Article XI, Section 5 of the Tennessee Constitution requires that such appropriation of funds to support improvements and enhancements for educational programs and purposes and such net proceeds shall be used to supplement, not supplant, non-lottery educational resources for education program and purposes.
- The cost to provide nutritional education is estimated to be not significant and can be handled within existing programs.
- The promulgation of rules by the State Board of Education is estimated to result in minimal fiscal impact and can be handled during the normal course of business.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director